

CONSENT TO ACTION
IN LIEU OF MEETING OF SHAREHOLDERS
AND DIRECTORS OF SRH CORPORATION

The undersigned, constituting all of the shareholders and directors of SRH Corporation, a Washington corporation, (the "Corporation") hereby execute this consent to action in lieu of attendance and voting at a meeting of shareholders and directors of the Corporation.

The directors hereby unanimously adopt the following resolution:

WHEREAS, the Board of Directors wishes to offer for sale and issue up to a maximum of 29,700 shares of its \$0.01 par value common stock authorized by its Articles of Incorporation; and

WHEREAS, each and every shareholder of the Corporation has by signing the "Shareholders' Waiver of Pre-emptive Rights," attached to this Consent as Exhibit A, agreed to waive any and all pre-emptive rights with regard only to this issuance of 29,700 shares of the \$0.01 par value common stock of the Corporation;

NOW, THEREFORE, BE IT RESOLVED, that the President of this Corporation and such other officers as he may designate be, and hereby are, authorized and directed to offer for sale and to sell and to issue up to 29,700 shares of the \$0.01 par value common stock in exchange for cash or other property not exceeding \$1,500,000 (U.S.) in value.

WHEREAS, Arab Development Company has offered this Corporation \$1,500,000 (U.S.) for 29,700 shares of the \$0.01 par value common stock of the Corporation,

RESOLVED, that the offer of Arab Development Company is hereby accepted.

FURTHER RESOLVED, that the proper officers hereby are authorized and directed to issue and deliver to Arab Development Company 29,700 shares of the \$0.01 par value common stock of the Corporation, upon receipt of the subscription price of \$1,500,000 in cash.

The directors hereby acknowledge receipt on behalf of the Corporation of the consideration recited hereinabove in exchange

for the 29,700 shares of the common stock of the Corporation. The President and Secretary are hereby authorized to execute share certificates in accordance with the directors' resolution set forth above.

The directors hereby authorize Larry Royer, Vice President of the Corporation, to execute a Loan Commitment Agreement, promissory notes and related documents with Compagnie de Services Fiduciaires whereby the corporation shall obtain standby financing to be used as working capital if necessary in the Quinault timber harvesting operations.

WHEREFORE, the undersigned shareholders and directors hereby execute this Consent to Action and ratify all of the aforesaid actions of the shareholders and Board of Directors in the same manner as if they had actually attended and voted at a joint shareholders and directors meeting of the Corporation.

The execution of this Consent shall constitute a written waiver of any notice required by the Washington Business Corporation Act and this Corporation's Articles of Incorporation.

DATED this 7th day of November, 1986.

Shareholders and Directors:

Richard Secord

Albert Hakim

Larry Rover